

**SPECIFIC EVOLUTIONS IN THE MANAGEMENT OF
CONSTRUCTION BUSINESSES**

Iulian Patriche*

Abstract

The business market in the domain of constructions takes into account the system of specific relations generated by the activities developed by the enterprises which offer their products and services realised in the respective domain to other enterprises or organisations and to the population. As a result, the system of business relations is particularised, within the framework of a global market, by the nature of the products and by the clients' characteristics who are interested in the respective products and services, which individualizes the market of goods and services in the domain of constructions through the manner of manifestation and materialization of the offer and demand and through the way in which transactions are realised. Consequently, in order to delimit the constructions' market and especially to analyse managerial evolutions of businesses in the respective field, it is necessary to take into account a set of specific elements. In this sense, we take into account: the new coordinates of evolution in the constructions' sector, the consumption, number, category and importance of the firms which represent possible clients; the type of problems which form its offer of merchandise; the system of payment.

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The evolution of contemporary society realizes the fact that the domain of constructions has become one of the most complex fields of activity of the economy. Finding a solution to the problems regarding durable development, providing the economy with the necessary infrastructure, ensuring houses for the population, protecting the natural environment, etc., all these aspects preoccupy specialists, politicians and representatives of civil society. Another piece of the puzzle is establishing a balance between rational functionalism and individualism. However, the most complex problem is the excessive crowding in some areas, especially in big cities, with all its consequences – major difficulties in traffic, the reduction of natural environment, the lack of houses and space, excessive pollution, etc. The modern man must always try to solve such priorities through a rational and efficient development of the activities in the constructions field.

* Iulian Patriche, Ph.D, is at the Central State Office for Special Problems in Bucharest.

Moreover, in the context of a double transition towards a society based on knowledge and durable development, new paradigms of production and consumption appear. It is necessary to switch the approach, from one based on resources to one based on knowledge, from one based on mass problems to one based on new concepts, durable products and services⁶⁹. In such a context, activities in the constructions field will have to be revised and based on research and reoriented through an adequate business management, suitable for each market area.

A business management based on the exigencies of durable development

■ The first aspect that we want to point out through this analysis refers to the necessity of shaping and promoting through research – technological, ecological, of eco efficiency, economic, sociologic and political – a business management oriented towards the value of the specific elements of the contemporary style in urban constructions, protecting the environment, revising the construction of the urban circulation system and the location of satellite towns.

- As far as the value of specific elements of the constructions' contemporary style is concerned, we point out the managerial preoccupations, on an international level, to study and generalize the possibilities of promoting an offer – depending on the conditions and characteristics of each market area – based on the construction of administrative or business buildings, with many floors – over 30-40 floors, in order to save basic space; with a structure of metallic resistance, constructed rapidly and combined with large glass front side pieces. The management of such business practices should consist of a functional promotion of adequate and high quality materials, industrialization and simplification of prefabrication processes extended to most of the building so that the beneficiaries are provided with the necessary buildings, flexible but resistant at the same time. Moreover, the local particularities have to be taken into account – tradition, climate, sources for materials and the possibilities for reflecting the environment – in order to have a modern but also natural background in the middle of the beneficiary city⁷⁰.

- Protecting the environment, good economic activities and the security of the citizen impose special managerial measures in the actual realization of the project. In the modern world, building sites differ from those from the past – in towns, the field around the constructions has to be clear and measures have to be taken in order protect the passers-by, loading materials should be made rapidly, organised and with special equipment. The process of production should develop

⁶⁹ *** Euroabstracts (publicată de Comisia Europeană), Luxemburg, Octombrie, Vol. 40, Nr. 5/2002, P. 13.

⁷⁰ I. Patriche, Piața construcțiilor în România, Ed. Uranus, București, 2003

quietly, in a clean manner, without dust and mud and the obligations imposed by authorities should be respected by all those involved.

- Revising the way of construction and establishing a system of urban circulation determined the necessity of elaborating research and resulted in a series of mandatory exigencies which should be put in practice by constructors. Managers of construction businesses should try to ensure rapid working, to offer street directions so that vehicles circulate independently from passers-by on big streets or to promote systems of superposed circulation.

- One of the specific preoccupations of business management in the domain of constructions in the present stage of evolution of modern society is represented by the exigencies caused by the emergence of satellite towns. In this sense, in order to reduce the concentration of population in the centre of the city, some metropolises adopt policies of establishing satellite towns, maintaining an adequate social framework for the modern man. The offer which represents the core of the business is characterised by the fact that renouncing in many situations at the principle which separates the collective houses from the individual ones, a large variety is obtained in the physiognomy of such satellite-cities⁷¹. The idea is that individuality and the proximity of nature are points of reference, taking into account the fact that only a part of human demands can be satisfied within the walls of a house. Outside there have to be areas destined to social, educational and cultural activities, commercial networks, green spaces, etc. The offerers should take into account the fact that the modern citizen is entitled to a large variety of possibilities in an unproductive atmosphere and a safe environment. Also, in order to realize such projects, specialists from different and numerous socio-economic fields should be consulted.

Promoting a vision of perspective in construction businesses

- Promoting a vision of perspective in the management of businesses in the domain of constructions represents another side of the specificity of the respective domain. In this sense, we take into account the implications of the global durable development, the impact of the generalization of exigencies in the informational society on the construction activity, the occupation of the subterranean space, the new tendencies in establishing the European system of transportation and the contribution of the constructions domain in the development of a knowledge-based society.

- The implications of the global durable development in the domain of constructions represent complex aspects; this sector suffers the impact of the complexity of the value change among nations and of the amplification of new concepts regarding the globalization of contemporary economy and the

⁷¹ L. Abdelmalki, P. Mundeler: *Economie de l'environnement*, Ed. Hachette, Paris, 1997

development globalization. Indeed, the domain of constructions – through its proportions and system of realization – even if it is strongly affected by the real estate crisis – it has become in contemporary world an extended sector, characterised by diversity and dynamism. If at the beginning of the century the enterprises which operated on different local markets tried hard to surpass their limits in order to reach a regional market and, finally, a national market, in the past decades the orientation of the constructions offer and services, the standardisation of products, the development and implementation of national and international banking networks and the modernization of communication means have lead to major changes in the business approaches, including in constructions, given the fact that the exchanges among countries have intensified and that national markets tend to be a part of a large international market, thus emphasizing the necessity of a revision of the managerial problems in a globalised world, in simple, polycentric terms⁷². Concerning the evolution of this phenomenon, we consider that it is necessary to point out a special aspect regarding the impact of the respective phenomenon on the business management in the constructions domain. In this sense, we take into account the idea according to which the phenomenon of globalisation is not conceptually based on notions or adequate theses or on a system of statistic indicators, able to capture direct and indirect connections which take place between economic agents in different states and the local authorities, and regarding the multiple relations among states and continental integration organisms or with international vocations, globalisation exists and represents a real and omnipresent phenomenon in all areas and domains⁷³. Moreover, the more dynamic, concentrated and unpredictable the economic life becomes, the more important are the capacities of reaction, intelligence multiplication and of realisation of the efforts' synergy, being amplified in this way the need to introduce a so-called network in the pyramid systems of leadership, on a micro and macro economic level and especially on an international level⁷⁴. The respective concept takes into account an integrated system of communication among the interconnected elements and other multiple dimensions representing an adequate answer to the necessities of rapid adaptation. Through its content, the respective concept gives an answer to the process of globalization which, through connections among the enterprises from different countries, free circulation of goods and services, money and people, produces not only unpredictable structural changes, but also multiple interdependences and feed-back relations, generating new game rules in interstate relations and imposing a new *modus operandi* for all economic agents – operators on the market – worldwide, in order to ensure a certain continuity between the micro, macro and international economic levels.

⁷² M. D. Popescu, *Globalizarea și dezvoltarea trivalentă*, Ed. Expert, București, 1995

⁷³ I. Patriche, *Canale de distribuție și logistică*, Ed. Uranus, București, 2007

⁷⁴ H. Azonlay, *L'entreprise en réseaux. Le réseau commercial*. Editaz, 1995

In such a context, construction business managers have to take into account, in order to maintain a good orientation, several specific aspects of major importance which have begun to assume shape on the construction market.

~ So, in many developed countries, since the end of the past century, the population's tendency to leave the centre of the city in order to build individual houses beyond the town limits is getting stronger and stronger, as a consequence of work decentralization caused by the emergence of other kinds of activities related to informatics⁷⁵.

~ Moreover, a progressive reduction of family dimensions and the increase of exigencies regarding the level of comfort – available space – take place and also a certain decrease of the purchase power of the population which determines a quantitative reduction of the built space at the same time with the necessity of an enhancement of the construction quality as a result of the increase of potential beneficiaries' exigencies – fewer but more demanding.

~ Another tendency assumes shame, namely the tendency that the population's preferences are oriented towards large individual houses, functionally spaced, surrounded by green space, with special equipment – garages, pools, small annexes for complementary activities, such as: work shops, greenhouses, etc.

~ New collective needs appear constantly regarding the enhancement of the life standard. It refers to the increase of exigencies concerning the coordinates of collective comfort – spaces, equipment, dimensions, etc.; the increase of demands for new kinds of special equipment – educational, cultural, commercial, health care, etc.; new exigencies regarding modern and rapid transportation, especially in urban areas.

- Exploiting the subterranean space – a modern tendency in the orientation of businesses in the domain of constructions – represents another challenge for managers. As specific elements, issues concerning the reconsideration of the offer often appear both regarding the proper constructions and the construction services. Such a rethinking of the ways in which the offer is established should be based on the idea according to which the present world wide tendencies are manifested through the development of subterranean structures in order to have more space on the surface⁷⁶. The maze of streets on the surface will correspond to a similar one in the subterranean, together with commercial networks, parking lots, warehouses, restaurants, etc.⁷⁷

⁷⁵ *** Construction Beyond 2000. Future of construction. Construction of the Future Pre Proceedings, Espoo – Finlanda, 1992

⁷⁶ Ph. Kotler, H. D. Haider, I. Rein, Marketingul locurilor, Ed. Teora, București, 2001

⁷⁷ M. Dessolain: L'avenir appartient aux "Centre de vie". În revista Libre – Science Actualités, Nr. 1637, 1999

- Important specific aspects – in business management in the domain of constructions – gradually assume shape through the new tendencies regarding the establishment of a European system of transportation. In this sense, we take into account, especially, two aspects: the rehabilitation of the infrastructure in big cities and the construction of a European system of transportation.

~ The first aspect is represented by the main tendencies regarding the rehabilitation of the infrastructure in big cities and refers to the construction of new transportation systems – intelligent streets – subterranean transportation combined with transportation of high speed on the surface, etc.

~ The other aspect assumes shape starting from the idea according to which there is a strong connection between the existence of a good system of transportation and economic prosperity. As a result, the need to extend and enhance the European communication network appeared, especially in the East and centre. In the context of such preoccupations, a new managerial approach emerged, a unitary approach, which would ensure the development of an integrated vision of all the infrastructure's components – streets, railways, airports, etc.

- The business world in the constructions domain is also characterised by strong contradictions between what is being realised and what is already realised – more or less well constructed from the point of view of the architecture, location, integration in the available space, public utility, etc. As a result, in the business management from the respective sector, important specific aspects generated by the rehabilitation of the built space have emerged, aspects which will shape the respective rehabilitation as a perspective tendency of major importance and as a novelty in the field. We take into account the fact that a progressive reorientation emerged nowadays in the constructions domain in some occidental states, from the construction of new buildings to the rehabilitation of the space already built. Such an idea and a certain discontent of the population regarding the unsuccessful construction of certain buildings overlap, construction which did not bring an enhancement and the transformation of the environment lead to the loss of the respective area's identity. In this sense, the basis of new businesses should be oriented so that the rehabilitation of an already built area is made in a manner that ensures an economic change for the better and corresponds to the socio-cultural requests of the inhabitants in that area⁷⁸. In order to succeed in such actions, managers in the constructions domain should think of measures which refer to the determination of the typological character of the buildings in the rehabilitated area and the establishment of a model, the utilization of allowed materials and even the formulation of new recommendations regarding the ways in which are used the rehabilitated constructions.

⁷⁸ E. I. Emandi, *Habitatul urban și spațiul*, Ed. Glasul Bucovinei, Iași, 1996

- Promoting a vision of perspective in the domain of construction business management presupposes preoccupations concerning the contribution of the respective domain in the development of a human society based on knowledge. We emphasize in this sense the idea according to which the interest increase in a durable development should determine in constructions the implementation of specific measures and actions such as: the reduction and even the elimination of certain polluting methods which consume a lot of energy; the utilization of regenerative resources; avoiding materials which cannot be used after demolition; the ecologic balance through design, production, use and inhabitancy⁷⁹. Of course, in such a managerial conception of businesses with such restrictions, the costs generated by the respective informational measures – ecologically, they will have to be taken into account for the preliminary determination of the realised products' price – constructions and construction services. We think that only what is necessary, simple and human should be built, with warm materials, a lot of light and colour, so that humans are stimulated to think about next generations and protecting the environment⁸⁰ and that the switch to an informational society should be marked in the domain of constructions also by the major transformations⁸¹ in knowledge and global durable development.

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⁸⁰ V. Rajanschi, Fl. Bran, Fl. Grigore, *Elemente de economia și managementul mediului*, Ed. Economică, București, 2004

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